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FISCAL IMPACT REPORT

SPONSOR Altamirano DATE TYPED 2/07/04 HB _____

SHORT TITLE Commission for Deaf Persons Expenses SB 545

ANALYST Weber

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY04	FY05			
	(500.0)		Recurring	General Fund
		See Narrative	Recurring	OSF

(Parenthesis () Indicate Revenue Decreases)

Conflicts with HB 187

Relates to Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Response Received From

Department of Finance and Administration

No Response Received From

Commission for the Deaf and Hard-of-Hearing Persons

SUMMARY

Synopsis of Bill

Senate Bill 545 amends 63-9F-12 NMSA 1978 so funds in the Telecommunications Access Fund may be used for the direct operating expenses of the Commission for the Deaf and Hard-of-Hearing Persons.

Significant Issues

Currently, use of the fund for administrative purposes is limited to 10 percent of the annual revenue that accrues to the fund. Revenue to the fund was \$2.9 million for the year ending June 30, 2003 and expenditures for the required telecommunications systems and equipment only \$1.2 million with another \$350 thousand distributed for administrative expenses. The resultant bal-

ance was \$5.8 million, up from \$4.4 million the previous year. The continuing growth of the fund allows for additional operation expense by the Commission.

The Department of Finance and Administration reports:

This change in the law will save approximately \$805.8 in General Fund in FY '05 and be a recurring savings. This bill is similar to House Bill (HB) 187. HB 187 also allows for funding of the Commission for the Deaf and Hard of Hearing Persons to be from the Telecommunications Access Fund, but further transfers the administration and implementation of the Telecommunications Access Act from the General Services Department to the Commission for the Deaf and Hard of Hearing Persons. SB 545 is supported by the Executive; HB 187 is not.

FISCAL IMPLICATIONS

If these funds are used for the Commission operating expenses. The general fund requirement will be reduced approximately \$500 thousand annually for the next few years.

TECHNICAL ISSUES

As proposed, the bill allows the DFA Budget Division unlimited appropriation from the fund. **Consideration should be given to restricting appropriation authority to the Legislature.**

POSSIBLE QUESTIONS

Why is the DFA Budget Division given appropriation authority over these funds even under the current statute?

MW/lg